

Though I agree that there needs to be general protection of consumers and business owners in place in the open marketplace, protections already exist. I do agree that honest, objective, published information should be made available to the public about business opportunities in the direct selling industry. With this said, the currently proposed legislation is horrifically extreme and will adversely affect the whole direct selling industry and private businesses nationwide.

I have been in business since October 1999 with a world-class corporation called Quixtar. From the first day that I was informed of this private franchise business opportunity, I was provided with reading materials about the business, supplying corporations, a thorough description of the opportunity, the business plan, disclosures of income ranges and potentials at multiple levels in this business including the “average income of an “active” independent business owner”. I was never under any illusion that this was a “get rich quick” scheme and was told from the very beginning and every day thereafter what level of work would be required to attain the income levels that I chose to achieve personally.

I currently work a full-time career and love this opportunity because it is something I can do for myself and my family outside of work to generate an extra source of income which will become more and more important closer to retirement. Social Security is not going to be available for people of my generation and equity investments will only provide a small contribution and are very risky.

There is absolutely NO RISK in building a Quixtar-affiliated business other than the perceived lost time. All products and educational materials come with a 100% money-back guarantee for 180 days including the shipping & taxes. Wouldn't it be nice if the FTC required all companies to have a money-back guarantee on anything a consumer purchased??

Having the proposed 7-day waiting period before a prospect could register their business is absolutely detrimental to our continued success and growth and goes against individual rights. All prospects are already provided with education materials and are encouraged to look at our rating with the Better Business Bureau and with Duns & Bradstreet before registering. They are encouraged to meet business partners in the local or regional area prior to registering and are invited FREE OF CHARGE to business seminars that allow them opportunities to do so. The individual has the choice to decide when and if they want to register a business. There is no required registration date, they can register any day of the year, and they are free to wait on registering until after they have been a customer if they choose to.

Individuals are encouraged to do their own research from credible sources, BBB, D&B, Direct Selling Association, etc. If someone is dumb enough to register for something without doing any research, that is not a business owner's fault nor is it the FTC's fault. Many people take jobs with companies without doing any research on the company, it's financials, it's past litigations, etc....and many times these companies forfeit payment of paychecks, they fire employees, they embezzle money, and take advantage of individuals. Why should there be extra regulation of registration in a direct selling business? There is no such regulation for the millions of interviews or the hiring process, and firing of employees? It is up to the individual to do their own “due diligence” as far as researching a company, a school, a job, a mate, or a business. Otherwise, we have lawyers to assist us in these matters. People are even encouraged in our business to share the business plan with CPA's and their lawyers, many of whom end up starting a business of their own after they read about our business.

For another example, I would have to ask, does the FTC require companies to get 10 references from businesses they are going to do business with? The answer is absolutely not, why should this be any different. Does the FTC require girlfriends to get 10 references from others who know her boyfriend before they get engaged? Of course not, she has ample time to either break the engagement, or if they do get married, get a divorce. Do students require colleges to provide them with 10 references of why they should go to their college? The answer is absolutely not. They aren't even guaranteed a JOB! People are spending hundreds of thousands of dollars to educate themselves without any guarantee of success or a job. The risk again is personal and time. There is absolutely no reason to require a reference list for this or any business. If someone is going to build this business or any business, they are going to be part of a team of business owners and will meet these individuals prior to registration and throughout their business career.

Again, they have six months to cancel their business and get all start-up costs back, paid in full from the corporation. There is no risk. Too bad colleges and universities don't offer the same guarantee.

Likewise, to require an individual to disclose their financial statement or paycheck, or bonus check in this case, would be like requiring a stock broker or financial advisor to disclose their personal portfolio and income to their client before the client chooses to invest with them. This is an absurdity and would never happen. An individual participates in the stock market at their own risk and it is up to the individual to seek out information and make an educated decision. Again, all financial information is provided to the IRS and if there is fraud, it will not go unchecked.

Individuals are mature enough to make a decision about starting a business, or anything in life for that matter, must be responsible enough to do research, seek out credible sources, etc. This is an individual behavior that the FTC cannot regulate.